

## Escorts Kubota Ltd.

No. of shares (m)	131.94
Mkt cap (Rs crs/\$m)	19265/2440.5
Current price (Rs/\$)	1460/18.5
Price target (Rs/\$)	1550/14.6
52 W H/L (Rs.)	1930/1128
Book Value (Rs/\$)	744/9.4
Beta	0.4
Daily volume NSE (avg. monthly)	294170
P/BV (FY23e/24e)	1.9/1.7
EV/EBITDA (FY23e/24e)	10.4/9.1
P/E (FY23e/24e)	17.5/15.1
EPS growth (FY22/23e/24e)	-18.9/16.3/16.0
OPM (FY22/23e/24e)	13.1/13.3/14.0
ROE (FY22/23e/24e)	11.6/11.5/11.8
ROCE (FY22/23e/24e)	12.2/11.5/11.9
D/E ratio (FY22/23e/24e)	0.0/0.0/0.0
BSE Code	500495
NSE Code	ESCORTS
Bloomberg	ESC IN
Reuters	ESCO.NS

## Shareholding pattern

	%
Promoters *	28.1
MFs / Banks / FIs/Others	0.4
FPIs	3.6
Govt. Holding	0.0
Public & Others	67.9
<b>Total</b>	<b>100.0</b>

As on Mar 31, 2022

- Does not include stake of Kubota

## Recommendation

**HOLD**

## Analyst

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## Company Brief

Escorts is involved in production of agri-machinery, construction and material handling equipment and railway equipment from its plants at various locations.

## Highlights

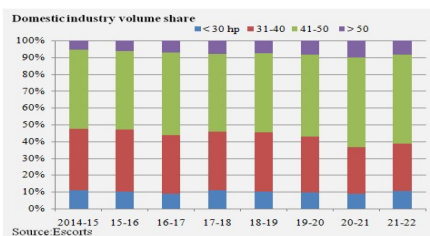
- Adverse product mix coupled with commodity price inflation has pummeled Escorts agri machinery margin for the last few quarters with EBIT margin for FY22 down perceptibly to 15.4% as against 18% in the same period a year ago. Tractor volumes scarcely helped for it descended by 11.7% on 14.5% drop in domestic dispatches. Persistent friction in passing on higher material prices inflation in railways business - accentuated by adverse exchange movements - has perpetuated 120 bps suppression in its EBIT margins at the time when its revenues by 32.8% to Rs 636.21 crs.
- EBIT of Escorts construction equipments business has shown little vivacity over the last many years - some due to Covid -19 related restrictions which hindered construction activities nationally - thus barely supporting recovery in overall earnings last fiscal when slowdown in Indian tractor industry spell doomsday for domestic manufacturers. Thence operating profit of Escorts plunged 15.6% to Rs 951.19 crs and post tax earnings also fell by over 16%.
- String of price hikes coupled with weak growth in Escorts stronger tractor markets pressured Escorts overall domestic market share which fell to 10.3% in FY22 from 11.3% in the previous fiscal. Though higher MSP has pushed Escorts domestic dispatches by 22.3% in first two months of the current fiscal but the domestic tractor industry is hardly strong enough to pull off a low double digit growth this fiscal. Further, Escorts impressive advances in exports has limited potential to make much of an impact overall.
- The stock currently trades at 17.5x FY23e EPS of Rs 83.51 and 15.1x FY24e EPS of Rs 96.90. Escorts has arrayed plethora of strategies to boost its domestic market share in tractors ranging from leveraging Kubota's distinct strength in small hp and high hp tractors to boosting its distribution network in its low presence markets to dual distribution strategy for Farmtrac and Powertrac brands. Business scaling in domestic markets through tie up with Kubota seems to be a no meager task due to concentration of Indian tractor industry where top five players control bulk of industry volumes. Though its exports may get some jumpstart from Kubota's distribution channel but its overseas sales volumes are too small to make any meaningful impact. Weighing odds, we retain hold rating on the stock with revised target of Rs 1550 (previous target: Rs 1750) based on 16x FY24e earnings.

(Figures in Rs crs)	FY20	FY21	FY22	FY23e	FY24e
Income from operations	5810.09	7014.42	7238.43	8301.54	9039.75
Other Income	97.60	160.38	218.02	285.20	328.74
EBITDA (other income included)	750.78	1287.14	1169.21	1385.16	1594.31
Profit after EO	478.16	868.65	726.11	922.74	1070.78
EPS (Rs)	53.80	88.58	71.80	83.51	96.90
EPS growth (%)	1.1	64.6	-18.9	16.3	16.0

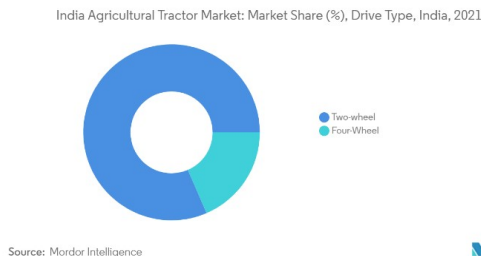
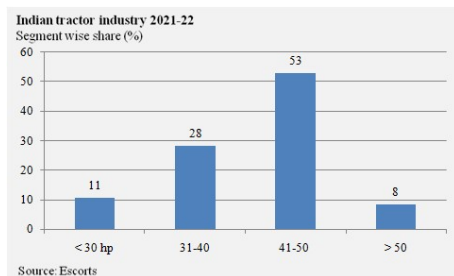
## Outlook & Recommendation

### India Tractor Industry Outlook

According to a report by Arizton Advisory and Intelligence, the Indian tractor market is estimated to grow by CAGR of 5.8% during 2022-27 driven by growing adoption of precision farming which would be an important driver of tractor sales in India. By its estimate, 41-60 hp segment is expected to lead the market growth. It reckons that government strategies to enhance welfare of farmers by converting agriculture in to a viable activity are paving ways for new tractor sales. Further boost would come from increasing awareness of advanced agriculture equipment to improve hectare per yield, reduce overall cost of crop production and increase income centric inclination of farmers.



Mordor Intelligence feels that the employment of mechanized power in the field has been the pioneer for impressive changes in the country's agriculture sector. Easy credit availability to farmers has been made to farmers through many financial institutions, and these are led by favorable government policies and subsidy programs. Funding for farm mechanization has generated by various loan schemes, easy breakdown of installments as per crop cycles, and low interest rate plans. Under the central sector extension programs, the government provides subsidies for purchasing tractors below 18 HP which has acted as an important enabler for far mechanization in India.

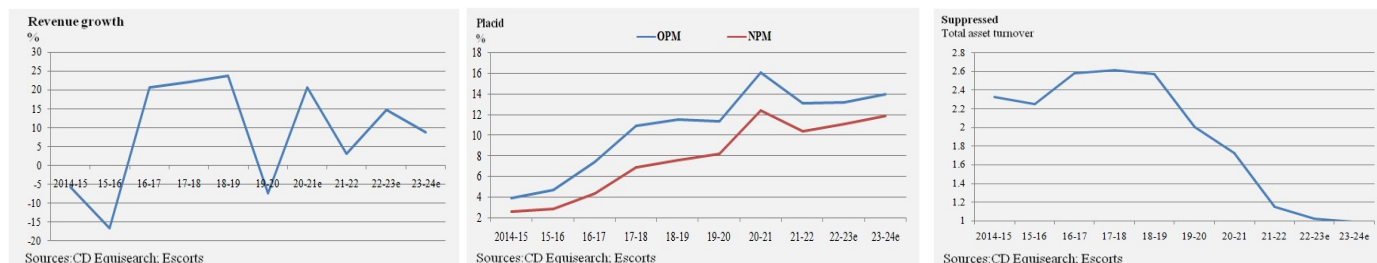


Hemant Sikka, president of farm equipment business at Mahindra & Mahindra, thinks that higher MSP prices have fueled the growth of Indian tractor sales in April this year. "Rabi harvesting has progressed well across markets. Amidst the ongoing global situation and high exports of wheat from India, demand for Indian wheat crop has been very high leading to farmers receiving higher prices for the crop in the open market over MSP," he said. "Oilseeds too are fetching higher prices in the domestic market".

Sikka also feels that "revival in demand from the commercial segment in FY22, which was tepid during the previous year, is also likely to benefit commercial demand for tractors, with increase in allocation of the government's budget on infrastructure and rural development".

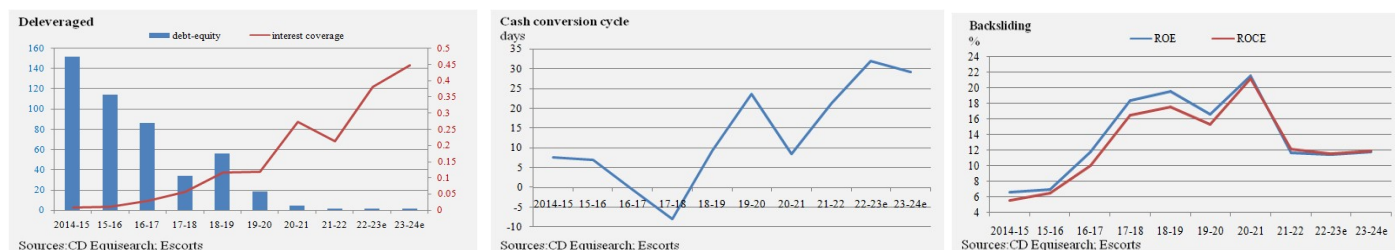
## Financials & Valuation

Despite shrinkage in domestic tractor industry last fiscal largely attributable to late monsoon rains and delayed harvest of kharif crops, the industry set off the current fiscal on a high note on the back of robust MSP prices and prospects of good monsoon rains. Though softening prices of steel in domestic industry in last few weeks would further aid recovery, pulling off a low double digit growth this fiscal would not be a meager task. Thence, Escorts would struggle to surpass its previous record of 1.07 lakh units set in FY21 this fiscal - though exports would be a no small demand enabler thanks to its initiative of revamping its export wares.



Despite GOI grand infrastructural plans and near envinous market share of Escorts in cranes market - nearly 40%, Escorts construction equipment has barely shown any traction in last few years - though Covid -19 played a no small draconian role - with its EBIT margins flat lining at 3.5%. Even with increasing construction activities and higher budgetary spends, Escorts would presumably struggle to scale this business over the next few years, thus restricting its ability to boost margins through increased sales velocity and higher pricing power.

Increasing share of new products - Escorts plans to commercialize few products like air spring, microprocessor controlled brake system, brake disc and brake pad this fiscal - and greater emphasis on the non-Indian Railway business (which nearly doubled last fiscal) would doubtlessly boost Escorts railway equipment business revenue booking over the next few years. Margins though would scarcely inch upwards (distinctly though) not least due to execution of older orders which would face issues of raw material inflation and costlier imports - though increased localization initiatives would help lessen the adverse impact.



The stock currently trades at 17.5x FY23e EPS of Rs 83.51 and 15.1x FY24e EPS of Rs 96.90. Helped by recovery in tractor volumes, Escorts would report post tax earnings in mid teens over the next two years though with dismal return on capital. Although new product launches in railway equipments and agri machinery businesses would aid in expansion of product portfolios - new variants of powerhouse series were launched last fiscal - but it would barely help in distinctly propping up its market share in tractors industry. Though midterm business plan is still awaited, Escorts plans to leverage much of the Kubota's distribution channel and best in class operational efficiencies to boost exports. Thanks to volume stress, earnings estimate for the current fiscal stands downwardly revised. Balancing odds, we retain hold rating on the stock with revised target of Rs 1550 (previous target: Rs 1750) based on 16x FY24e earnings. For more info, refer to our November report.

## Cross Sectional Analysis

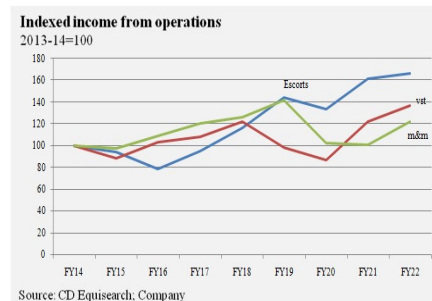
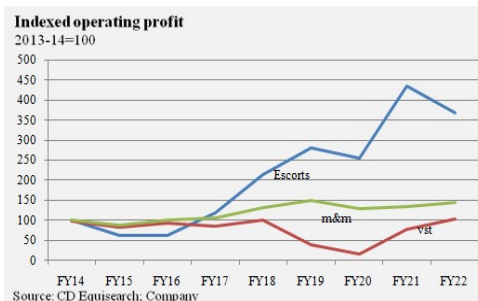
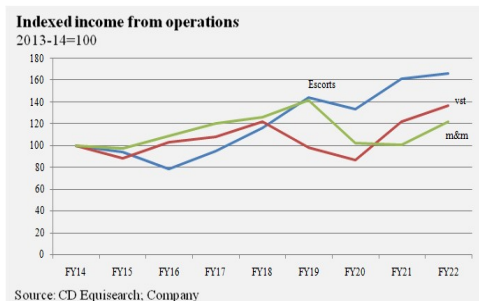
Company	Equity*	CMP (Rs)	Market cap*	Sales*	Profit*	OPM (%)	NPM (%)	Int. coverage	ROE (%)	Mkt cap / sales	P/BV	P/E
Escorts	132	1460	19265	7238	726	13.1	10.4	68.4	11.6	2.7	2.0	20.3
M&M	622	1111	138119	90171	6280	16.3	5.7	2.4	15.0	1.5	3.1	22.0
VST Tillers	9	2548	2202	854	99	14.5	11.6	126.9	14.4	2.6	3.0	22.2

\*figures in crores; calculations on ttm basis

Book value adjusted for goodwill and revaluation reserves where applicable; Escorts valuation ratios adjusted for treasury shares

As observed with other tractor manufacturers, M&M too post near stellar dispatches in first two months of the current fiscal with domestic volumes growing by some 50% while exports jumped by a rarely enthring 13%. Barely depressed food prices prevailing in last few months boosted demand for tractors and agri implements and thus helped the industry scaled higher. Despite inflation induced slowdown afflicting overall domestic tractor industry, M&M's farm equipment sector tractors market share rose by 180 bps to 40% in FY22; although M&M's total tractor sales volume flat lined to 3.5 lakh units. Further it exported highest ever tractors of 17500 last fiscal. It reckons that with the recent fiscal and monetary measures taken by GOI and RBI, the cost pressures in the economy may ease out.

In line with prevailing industry trends, VST Tillers posted 9.6% decline in tractor sales to 7991 units last fiscal when compared to 8835 units in the same period a year ago, while its power tiller volumes advanced by a enthring 16.3% to 31776 units. Despite prevailing inflationary stress in the last few quarters, VST posted nearly 250 bps expansion in OPMs last fiscal, resulting in 34.7% growth in operating profits. Post tax earnings advanced by 9.4% to Rs 99.31 crs as against Rs 90.78 crs in the same period a year ago.



## Financials

### Quarterly Results

Figures in Rs crs

	Q4FY22	Q4FY21	% chg.	FY22	FY21	% chg.
<b>Income from operations</b>	<b>1878.51</b>	<b>2228.75</b>	<b>-15.7</b>	<b>7238.43</b>	<b>7014.42</b>	<b>3.2</b>
Other Income	62.97	41.90	50.3	218.02	160.38	35.9
<b>Total Income</b>	<b>1941.48</b>	<b>2270.65</b>	<b>-14.5</b>	<b>7456.45</b>	<b>7174.80</b>	<b>3.9</b>
Total Expenditure	1638.49	1884.92	-13.1	6287.24	5887.66	6.8
<b>PBIDT</b>	<b>302.99</b>	<b>385.73</b>	<b>-21.5</b>	<b>1169.21</b>	<b>1287.14</b>	<b>-9.2</b>
Interest	3.56	3.22	10.6	14.97	13.34	12.2
Depreciation	33.52	31.08	7.9	132.06	118.28	11.7
<b>PBT</b>	<b>265.91</b>	<b>351.43</b>	<b>-24.3</b>	<b>1022.18</b>	<b>1155.52</b>	<b>-11.5</b>
Tax	67.48	80.78	-16.5	257.22	283.15	-9.2
<b>PAT</b>	<b>198.43</b>	<b>270.65</b>	<b>-26.7</b>	<b>764.96</b>	<b>872.37</b>	<b>-12.3</b>
MI	-0.94	-0.01	9300.0	-0.86	0.17	-605.9
Profit of investments	-8.45	-5.24	61.3	-29.35	-0.74	3866.2
<b>Reported PAT</b>	<b>190.92</b>	<b>265.42</b>	<b>-28.1</b>	<b>736.47</b>	<b>871.46</b>	<b>-15.5</b>
Extraordinary Item	-	-	-!	10.36	2.81	269.1
<b>Adjusted Net Profit</b>	<b>190.92</b>	<b>265.42</b>	<b>-28.1</b>	<b>726.11</b>	<b>868.65</b>	<b>-16.4</b>
EPS (F.V. 10)	18.88	27.07	-30.3	101.13	98.07	3.1

### Segment results

Figures in Rs crs

	Q4FY22	Q4FY21	% chg.	FY22	FY21	% chg.
<b>Segment Revenue</b>						
Agri Machinery Products	1377.32	1753.05	-21.4	5586.60	5732.26	-2.5
Railway Equipments	172.80	146.46	18.0	636.21	478.96	32.8
Construction Equipments	319.11	321.97	-0.9	985.31	776.11	27.0
Others	10.71	7.27	47.3	37.79	27.09	39.5
<b>Sub Total</b>	<b>1879.94</b>	<b>2228.75</b>	<b>-15.7</b>	<b>7245.91</b>	<b>7014.42</b>	<b>3.3</b>
Inter - Segment Revenue	1.43	0.00	-	7.48	0.00	-
<b>Net Segment Revenue</b>	<b>1878.51</b>	<b>2228.75</b>	<b>-15.7</b>	<b>7238.43</b>	<b>7014.42</b>	<b>3.2</b>
<b>Segment EBIT</b>						
Agri Machinery Products	210.67	295.64	-28.7	859.55	1032.55	-16.8
Railway Equipments	22.69	27.97	-18.9	94.32	76.75	22.9
Construction Equipments	11.43	23.41	-51.2	23.87	27.81	-14.2
<b>Sub Total</b>	<b>244.79</b>	<b>347.02</b>	<b>-29.5</b>	<b>977.74</b>	<b>1137.11</b>	<b>-14.0</b>
Interest	3.56	3.22	10.6	14.97	13.34	12.2
Other Unallocable Exp.	-24.68	-7.63	223.5	-59.41	-31.75	87.1
<b>PBT</b>	<b>265.91</b>	<b>351.43</b>	<b>-24.3</b>	<b>1022.18</b>	<b>1155.52</b>	<b>-11.5</b>

## Consolidated Income Statement

Figures in Rs crs

	FY20	FY21	FY22	FY23e	FY24e
<b>Income from operations</b>	<b>5810.09</b>	<b>7014.42</b>	<b>7238.43</b>	<b>8301.54</b>	<b>9039.75</b>
Growth (%)	-7.2	20.7	3.2	14.7	8.9
Other Income	97.60	160.38	218.02	285.20	328.74
<b>Total Income</b>	<b>5907.69</b>	<b>7174.80</b>	<b>7456.45</b>	<b>8586.74</b>	<b>9368.49</b>
Total Expenditure	5156.91	5887.66	6287.24	7201.58	7774.18
<b>EBITDA (other income included)</b>	<b>750.78</b>	<b>1287.14</b>	<b>1169.21</b>	<b>1385.16</b>	<b>1594.31</b>
Interest	17.23	13.34	14.97	10.22	10.09
<b>EBDT</b>	<b>733.55</b>	<b>1273.80</b>	<b>1154.24</b>	<b>1374.94</b>	<b>1584.22</b>
Depreciation	107.22	118.28	132.06	140.66	151.36
Tax	153.53	283.15	257.22	311.04	361.08
<b>Net profit</b>	<b>472.80</b>	<b>872.37</b>	<b>764.96</b>	<b>923.24</b>	<b>1071.78</b>
Minority interest	-0.53	0.17	-0.86	-0.50	-0.50
Profit of investments	-1.08	-0.74	-29.35	-1.00	-1.50
<b>Reported PAT</b>	<b>472.25</b>	<b>871.46</b>	<b>736.47</b>	<b>922.74</b>	<b>1070.78</b>
Extraordinary item	-5.91	2.81	10.36	-	-
<b>Adjusted Net Profit</b>	<b>478.16</b>	<b>868.65</b>	<b>726.11</b>	<b>922.74</b>	<b>1070.78</b>
EPS* (Rs.)	53.80	88.58	71.80	83.51	96.90

\*adjusted for treasury shares

## Segment Results

Figures in Rs crs

	FY20	FY21	FY22
<b>Segment Revenue</b>			
Agri Machinery Products	4472.49	5732.26	5586.60
Railway Equipments	477.22	478.96	636.21
Construction Equipments	839.76	776.11	985.31
Others	20.69	27.09	37.79
<b>Sub Total</b>	<b>5810.16</b>	<b>7014.42</b>	<b>7245.91</b>
Inter - Segment Revenue	0.07	0.00	7.48
<b>Net Segment Revenue</b>	<b>5810.09</b>	<b>7014.42</b>	<b>7238.43</b>
<b>Segment EBIT</b>			
Agri Machinery Products	572.49	1032.55	859.55
Railway Equipments	85.83	76.75	94.32
Construction Equipments	30.22	27.81	23.87
Auto Ancillary Products	0.00	0.00	0.0
<b>Sub Total</b>	<b>688.54</b>	<b>1137.11</b>	<b>977.74</b>
Interest	17.23	13.34	14.97
Other Unallocable Exp. (net of income)	35.76	-31.75	-59.41
Exceptional income/(expense)	-9.22	-	-
<b>PBT</b>	<b>626.33</b>	<b>1155.52</b>	<b>1022.18</b>



## Consolidated Balance Sheet

Figures in Rs crs

	FY20	FY21	FY22	FY23e	FY24e
<b>SOURCES OF FUNDS</b>					
Share Capital	122.58	134.83	131.94	110.50	110.50
Reserves	2994.82	4891.30	7467.96	8531.50	9524.93
<b>Total Shareholders Funds</b>	<b>3117.40</b>	<b>5026.13</b>	<b>7599.90</b>	<b>8642.00</b>	<b>9635.43</b>
Minority Interest	5.10	-0.91	-3.75	-4.25	-4.75
Long term debt	24.47	49.35	41.35	40.00	38.00
<b>Total Liabilities</b>	<b>3146.97</b>	<b>5074.57</b>	<b>7637.50</b>	<b>8677.75</b>	<b>9668.68</b>
<b>APPLICATION OF FUNDS</b>					
Gross Block	2764.78	2942.17	3088.39	3388.39	3738.39
Less: Accumulated Depreciation	1062.37	1145.94	1247.34	1388.00	1539.36
<b>Net Block</b>	<b>1702.41</b>	<b>1796.23</b>	<b>1841.05</b>	<b>2000.39</b>	<b>2199.03</b>
Capital Work in Progress	124.66	64.69	87.80	80.00	85.00
Investments	797.36	1938.02	4835.84	5247.54	5746.04
<b>Current Assets, Loans &amp; Advances</b>					
Inventory	883.36	718.16	846.56	888.89	933.33
Sundry Debtors	731.86	657.58	792.62	830.15	903.97
Cash and Bank	324.88	1321.76	271.84	791.88	1077.46
Other Assets	319.92	271.58	317.71	330.99	355.75
<b>Total CA &amp; LA</b>	<b>2260.02</b>	<b>2969.08</b>	<b>2228.73</b>	<b>2841.92</b>	<b>3270.52</b>
Current liabilities	1649.71	1593.41	1257.50	1377.37	1506.43
Provisions	125.75	101.68	97.96	100.90	103.66
<b>Total Current Liabilities</b>	<b>1775.46</b>	<b>1695.09</b>	<b>1355.46</b>	<b>1478.26</b>	<b>1610.09</b>
<b>Net Current Assets</b>	<b>484.56</b>	<b>1273.99</b>	<b>873.27</b>	<b>1363.65</b>	<b>1660.43</b>
Net Deferred Tax	-29.27	-23.30	-37.27	-42.35	-46.73
Other Assets (Net of liabilities)	67.25	24.94	36.81	28.52	24.91
<b>Total Assets</b>	<b>3146.97</b>	<b>5074.57</b>	<b>7637.50</b>	<b>8677.75</b>	<b>9668.68</b>

**Key Financial Ratios**

	FY20	FY21	FY22	FY23e	FY24e
<b>Growth Ratios</b>					
Revenue (%)	-7.2	20.7	3.2	14.7	8.9
EBIDTA (%)	-7.0	69.2	-10.0	19.9	15.1
Net Profit (%)	1.1	81.7	-16.4	27.1	16.0
EPS (%)	1.1	64.6	-18.9	16.3	16.0
<b>Margins</b>					
Operating Profit Margin (%)	11.4	16.1	13.1	13.3	14.0
Gross Profit Margin (%)	12.8	18.1	15.8	16.6	17.5
Net Profit Margin (%)	8.2	12.4	10.4	11.1	11.9
<b>Return</b>					
ROCE (%)	15.4	21.2	12.2	11.5	11.9
ROE (%)	16.7	21.6	11.6	11.5	11.8
<b>Valuations</b>					
Market Cap / Sales	1.4	2.5	3.1	2.3	2.1
EV/EBIDTA	9.5	11.2	15.1	10.4	9.1
P/E	12.3	14.5	23.6	17.5	15.1
P/BV	1.9	2.6	2.3	1.9	1.7
<b>Other Ratios</b>					
Interest Coverage	37.8	87.3	68.4	121.8	143.0
Debt-Equity Ratio	0.1	0.0	0.0	0.0	0.0
Current Ratio	1.6	2.6	4.8	0.0	0.0
<b>Turnover Ratios</b>					
Fixed Asset Turnover	3.5	4.0	4.0	4.3	4.3
Total Asset Turnover	2.0	1.7	1.2	1.0	1.0
Debtors Turnover	7.0	10.1	10.0	10.2	10.4
Inventory Turnover	5.9	7.4	8.0	8.3	8.5
Creditors Turnover	4.1	4.7	6.0	7.7	7.5
<b>WC Ratios</b>					
Debtor Days	52.2	36.2	36.6	35.7	35.0
Inventory Days	61.7	49.6	45.4	44.0	42.8
Creditor Days	90.1	77.1	60.6	47.6	48.5
Cash Conversion Cycle	23.8	8.7	21.3	32.1	29.3



**Cumulative Financial Data**

Figures in Rs crs	FY16-18	FY19-21	FY22-24e
Income from operations	12637	19087	24580
Operating profit	1025	2514	3317
EBIT	1000	2545	3711
PBT	887	2495	3675
PAT after MI	628	1820	2720
OPM (%)	8.1	13.2	13.5
NPM (%)	5.0	9.5	3.1
Interest coverage	8.9	50.8	105.2
ROE (%)	11.7	17.0	12.5
ROCE (%)	10.5	16.6	36.9
Fixed asset turnover	2.7	3.8	4.1
Debtors turnover	8.7	10.2	10.5
Inventory turnover	7.6	8.6	8.6
Creditors turnover	3.9	4.5	6.2
Debtors days	41.9	35.8	34.8
Inventory days	48.3	42.4	42.5
Creditors days	92.6	80.3	58.6
Conversion cycle	-2.4	-2.0	18.7

FY16-18 implies three years ending fiscal 18; \*as on terminal year

Over 24% growth in Escorts tractor volumes in FY21 explains much of the 48% growth in cumulative volumes during FY19-21 (see chart), though the trend is hardly expected to continue for the cumulative tractor volumes during FY22-24e is estimated to rise by a puny 7% (see table). Modest revenue growth attended by stable margins - more so due to nerve racking raw material inflation - would restrict cumulative post tax earnings growth to shade under 50% during FY22-24e - barely impressive by historical trends.

Sub-optimal returns on liquid assets coupled with little vivacity in earnings would distinctly suppress return on capital - ROE estimated to nosedive to 12.5% during FY22-24 period from 17% in the previous three year period. Sub optimal utilization of Escorts huge cash pile -also accumulated from private placement to Kubota - has little scope to optimize overall return on capital for huge investments in capital assets (read: plant & machinery) are hard to come by not least due to maturity of Indian tractor market and seemingly limited scope to strongly boost exports. The recent raw material inflation could somewhat elongate cash conversion cycle in the projected period (see table).

**Financial Summary – US dollar denominated**

million \$	FY20	FY21	FY22	FY23e	FY24e
Equity capital	16.3	18.3	17.4	14.0	14.0
Shareholders funds	410.7	673.8	992.3	1085.0	1210.8
Total debt	5.5	6.9	5.5	5.1	4.8
Net fixed assets (incl CWIP)	242.4	253.2	254.4	263.5	289.3
Investments	105.8	263.7	637.9	664.8	727.9
Net current assets	61.4	164.3	105.0	360.0	414.3
Total assets	414.6	681.3	997.3	1089.5	1215.1
Revenues	819.7	945.3	971.4	1051.7	1145.2
EBITDA	107.0	173.0	155.1	175.5	202.0
EBDT	104.6	171.2	153.0	174.2	200.7
PBT	89.5	155.2	135.3	156.4	181.5
Profit after MI & others	67.5	117.1	97.4	116.9	135.6
EPS(\$)	0.76	1.19	0.96	1.06	1.23
Book value (\$)	4.62	6.87	9.81	9.82	10.96

income statement figures translated at average rates; balance sheet and cash flow at year end rates; projections at current rate (\$78.94/\$)

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buy: >20%    accumulate: >10% to ≤20%    hold: ≥-10% to ≤10%    reduce: ≥-20% to <-10%    sell: <-20%

Exchange Rates Used- Indicative

Rs/\$	FY18	FY19	FY20	FY21	FY22
Average	64.45	69.89	70.88	74.20	74.51
Year end	65.04	69.17	75.39	73.50	75.81

All \$ values mentioned in the write-up translated at the average rate of the respective quarter/ year as applicable. Projections converted at current exchange rate. Cumulative dollar figure is the sum of respective yearly dollar value.